



Ninety-Ninth Legislature - First Session - 2005
Introducer's Statement of Intent
LB 636

Chairperson: Ron Raikes
Committee: Education
Date of Hearing: February 14, 2005

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

Legislative Bill 636 would modify the provisions for the calculation of payments for the education of state wards and limit payments to county detention homes, institutions, and juvenile emergency shelters that maintain an approved or accredited school or an interim program schools.

The calculation of payments would be modified by using an average per pupil cost based on 106% of the total operating expenditures (excluding the cost of sectarian instruction) divided by the average daily membership using data from the preceding year. The additional 6% would cover a combination of capital expenditures not included in operating expenditures and inflation to bring the expenditures current. For new schools, the average per pupil cost would be based on 106% of the average operating expenditures per student for the prior year for the combination of all service agencies and all such schools.

The Department of Education would be allowed to adjust the total operating expenditures used in the calculations according to criteria established by the Department based on an audit if:

1. The growth in total operating expenditures are excessive as compared to the growth in special education expenditures in the public schools;
2. Personnel costs are excessive as compared to the personnel costs for special education in the public schools;
3. Other costs are excessive as compared to similar costs for special education in the public schools; or
4. Residential or other non-educational costs are included in the total operating expenditures.

The penalty for failing to provide information requested for an audit would be the termination of payments from the Department of Health and Human Services and from school districts. Adjustments to total operating expenditures could be appealed to the State Board of Education.

Principal Introducer:

Senator Ron Raikes